

Claims

- [c1] A method for facilitating the redemption of amounts accumulated in a rewards account through an online auction comprising the steps of:
- facilitating registration of a rewards account for an on-line auction, wherein the rewards account includes cash rebates;
 - facilitating bidding an amount contained within the rewards account on an auction item within the online auction;
 - determining a winning bid amount on the auction item to identify a winning auction bid; and
 - completing a financial transaction for the winning auction bid.
- [c2] The method of claim 1 wherein the step of facilitating registration of a rewards account comprises the steps of:
- obtaining participant data, wherein said participant data includes at least one of account information, username and password;
 - transmitting said participant data to an auction to facilitate verification; and,
 - receiving verification of said participant data from said

auction.

- [c3] The method of claim 2 wherein the step of facilitating registering of a rewards participant further comprises the step of sending an e-mail to an e-mail address of the participant confirming their registration.
- [c4] The method of claim 2 wherein transmitting an participant's account information to an auction further comprises the steps of:
 - querying the auction to verify that the auction accepts the rewards account for payment during participation in the auction;
 - querying a management system for the account to validate the participant's identity; and
 - transmitting account data of the participant to an auction system database.
- [c5] The method of claim 2 wherein transmitting the participant's username and password to the auction further comprises the steps of:
 - verifying that the username and password entered by the participant are both in an acceptable format;
 - verifying that neither the username or password entered by the participant are being used by another; and
 - transmitting the username and password entered by the participant to an auction system database.

[c6] The method of claim 1 wherein the step of bidding an amount contained within the rewards account comprises the steps of :

- presenting a rewards participant with a webpage of an auction site having one or more ongoing auctions for selection by the participant;
- presenting information to the participant relating to at least one of an auction and auction item selected by the participant;
- allowing the participant to enter and submit an amount of rewards from the participant's account to bid on the auction item; and
- transmitting the participant's bid amount to post a bid on the auction site.

[c7] The method of claim 6 further comprising at least one of the following steps:

- verifying a balance in the rewards account;
- querying the auction to verify that the participant's bid exceeds the amount of any previous bid for the auction item;
- querying the auction to verify that the participant's bid exceeds any minimum bid amount set for the auction item; and
- posting the participant's bid amount on the auction site.

[c8] The method of claim 1 wherein said step of facilitating bidding an amount contained within the rewards account on an auction item within the online auction comprises querying the auction to verify that combined amounts of any current bids posted by the participant do not exceed the rewards account balance.

[c9] The method of claim 1 wherein the step of determining a winning bid comprises the steps of:
terminating the ability to post bids to an auction item;
determining a winning bid for the auction item by querying the auction system for a highest amount bid for the auction item and an identity of the participant bidding the highest amount; and
verifying that the participant with the winning bid has an account balance to cover the winning bid.

[c10] The method of claim 9 further comprising the following steps when the participant's balance does not cover the winning bid:
a) querying the auction system for the next highest bid amount;
b) verifying that the next highest bid exceeds any minimum bid amount set for the auction item;
c) verifying that the participant of the next highest bid has an account balance to cover the next highest bid;
and

d) repeating steps a) – c) until an participant has an account balance to cover the next highest bid.

[c11] The method of claim 10 further comprising verifying that that combined amounts of any current bids posted by the participant of the next highest bid do not exceed the rewards account balance for the participant of the next highest bid.

[c12] The method of claim 1 wherein the step of completing a financial transaction for the winning bid comprises the steps of:
debiting the winning bid amount from the rewards account of the participant having the winning auction bid;
crediting the winning bid amount to an account owned by an account manager who manages rewards accounts;
and,
settling with a merchant who sold the auction item.

[c13] The method of claim 1 further comprising providing reward account details and account history data, wherein said account history data may include at least one of dates and descriptions of items the participant has bid on, the cash rewards amount bid during each auction, winning bid amounts, and current bid status.

[c14] The method of claim 1 further comprising at least one of

adding or removing participating rewards accounts.